

**UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,
Debtors.¹

PROMESA

Title III

No. 17 BK 3283-LTS

(Jointly Administered)

**NOTICE OF ANNUAL HOURLY RATE
ADJUSTMENT PURSUANT TO ENGAGEMENT LETTER, DATED
NOVEMBER 25, 2016, OF PROSKAUER ROSE LLP, AS ATTORNEYS FOR THE
FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO**

PLEASE TAKE NOTICE that, pursuant to this Court's *Order Imposing Additional Presumptive Standards: Rate Increases and the Retention of Expert Witnesses or other Sub-Retained Professionals* [ECF No. 7678] (the "Additional Presumptive Standards Order"),² Proskauer Rose LLP ("Proskauer"), as attorneys for the Financial Oversight and Management Board for Puerto Rico, as Title III representative of the Debtors in the above-captioned Title III cases (the "Title III Cases"), hereby informs the Court and public of the automatic annual rate adjustment in its engagement letter on a timekeeper-by-timekeeper basis (the "Rate Adjustment"), set forth on **Exhibit A** attached hereto and effective on January 1, 2022 (the "Effective Date").

¹ The Debtors in these Title III Cases, along with each Debtor's respective Title III case number and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico ("Commonwealth") (Bankruptcy Case No. 17-BK-3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17-BK-3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17-BK-3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17-BK-3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17-BK-4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority ("PBA") (Bankruptcy Case No. 19-BK-5233-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Additional Presumptive Standards Order.

PLEASE TAKE FURTHER NOTICE that, in accordance with the Additional Presumptive Standards Order, attached hereto as **Exhibit B** is Proskauer's certification in support of the Rate Adjustment.

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Dated: December 8, 2021
San Juan, Puerto Rico

Respectfully submitted,

/s/ Martin J. Bienenstock

Martin J. Bienenstock
Timothy W. Mungovan
Brian S. Rosen
Paul V. Possinger
Ehud Barak
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/s/ Hermann D. Bauer

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Management Board for Puerto Rico as
representative for the Debtors*

EXHIBIT A

Rate Adjustment Schedule for Timekeepers

Timekeeper	Position	Year Admitted to Practice	Hourly Billing Rates effective as of January 1, 2022
Alex, Justin S.	Partner	2011	\$887.00
Ashton, Ann M.	Partner	1980	\$887.00
Barak, Ehud	Partner	2010	\$887.00
Batten, Mark W.	Partner	1988	\$887.00
Bienenstock, Martin J.	Partner	1978	\$887.00
Blaney, Ryan P.	Partner	2006	\$887.00
Brenner, Guy	Partner	2002	\$887.00
Cantone, Robert A.	Partner	1978	\$887.00
Casazza, Kyle A.	Partner	2007	\$887.00
Cooper, Scott P.	Partner	1981	\$887.00
Corn, Richard M.	Partner	2005	\$887.00
Dale, Margaret A.	Partner	1990	\$887.00
Faust, Scott A.	Partner	1985	\$887.00
Febus, Chantel L.	Partner	2003	\$887.00
Ferrara, Ralph C.	Partner	1970	\$887.00
Firestein, Michael A.	Partner	1983	\$887.00
Garnett, Karen J.	Partner	1990	\$887.00
Gerkis, James P.	Partner	1984	\$887.00
Hackett, Mike R.	Partner	2009	\$887.00
Hamburger, Paul M.	Partner	1985	\$887.00
Hamilton, Martin T.	Partner	2004	\$887.00
Harris, Mark D.	Partner	1992	\$887.00
Indelicato, Vincent	Partner	2009	\$887.00
Kass, Colin R.	Partner	1996	\$887.00
Komaroff, William C.	Partner	1992	\$887.00
Kornreich, Edward S.	Partner	1978	\$887.00
Lander, Nathan R.	Partner	2004	\$887.00
Levitan, Jeffrey W.	Partner	1983	\$887.00
Martinez, Carlos E.	Partner	1988	\$887.00
Mervis, Michael T.	Partner	1990	\$887.00
Miller, David S.	Partner	1991	\$887.00
Mungovan, Timothy W.	Partner	1994	\$887.00
Nussbaum, Amanda H.	Partner	1999	\$887.00
Ondeck, Christopher E.	Partner	1995	\$887.00
Perra, Kevin J.	Partner	1995	\$887.00
Piccirillo, Antonio N.	Partner	1996	\$887.00

Porzio, Steven J.	Partner	2008	\$887.00
Possinger, Paul V.	Partner	1993	\$887.00
Ramachandran, Seetha	Partner	2001	\$887.00
Rappaport, Lary Alan	Partner	1979	\$887.00
Richman, Jonathan E.	Partner	1984	\$887.00
Roberts, John E.	Partner	2009	\$887.00
Rosen, Brian S.	Partner	1985	\$887.00
Rosenthal, Marc Eric	Partner	1990	\$887.00
Rosow, Stuart L.	Partner	1976	\$887.00
Rumeld, Myron D.	Partner	1984	\$887.00
Snell, Dietrich L.	Partner	1983	\$887.00
Triggs, Matthew	Partner	1990	\$887.00
Waldon, Samuel J.	Partner	1995	\$887.00
Waxman, Hadassa R.	Partner	2001	\$887.00
Weise, Steven O.	Partner	1974	\$887.00
Alonzo, Julia D.	Senior Counsel	2009	\$887.00
Munkittrick, David A.	Senior Counsel	2011	\$887.00
Roche, Jennifer L.	Senior Counsel	2007	\$887.00
Stafford, Laura	Senior Counsel	2012	\$887.00
Anderson, James	Associate	2015	\$887.00
Ansanelli, Julia M.	Associate	2017	\$887.00
Blackwell, Brooke H.	Associate	2018	\$887.00
Burroughs, Timothy E.	Associate	2020	\$887.00
Curtis, Kelly	Associate	2016	\$887.00
Dalsen, William D.	Associate	2011	\$887.00
Deming, Adam L.	Associate	2018	\$887.00
Desatnik, Daniel	Associate	2016	\$887.00
DuBosar, Jared M.	Associate	2018	\$887.00
Esses, Joshua A.	Associate	2017	\$887.00
Fassuliotis, William G.	Associate	2020	\$887.00
Frankel, Jay	Associate	2017	\$887.00
Gordon, Amy B.	Associate	2021	\$887.00
Gottlieb, Brooke G.	Associate	2020	\$887.00
Griffith, Jessica M.	Associate	2021	\$887.00
Guggenheim, Michael M.	Associate	2021	\$887.00
Habenicht, Yomarie S.	Associate	2010	\$887.00
Hansen, Kyle C.	Associate	2018	\$887.00
Hartunian, Joseph S.	Associate	2019	\$887.00
Hong, Yena	Associate	2020	\$887.00
Hughes, Sarah E.	Associate	2019	\$887.00
Jones, Erica T.	Associate	2018	\$887.00
Jones, Jennifer L.	Associate	2005	\$887.00
Kelley, Francie P.	Associate	2021	\$887.00
Kim, Mee (Rina)	Associate	2016	\$887.00

Kowalczyk, Lucas	Associate	2017	\$887.00
Landers Hawthorne, Kelly B.	Associate	2018	\$887.00
Lefebvre, Antonieta P.	Associate	2015	\$887.00
Ma, Steve	Associate	2014	\$887.00
Markofsky, Lisa B.	Associate	2005	\$887.00
McGowan, Shannon D.	Associate	2020	\$887.00
Morris, Matthew J.	Associate	2000	\$887.00
Oluwasola, Omobolaji O.	Associate	2020	\$887.00
Osaben, Libbie B.	Associate	2021	\$887.00
Ovanesian, Michelle M.	Associate	2018	\$887.00
Palmer, Marc C.	Associate	2018	\$887.00
Patel, Krusheeta R.	Associate	2020	\$887.00
Perdiza, Andre F.	Associate	2016	\$887.00
Peterson, John A.	Associate	2017	\$887.00
Rainwater, Shiloh A.	Associate	2017	\$887.00
Rogoff, Corey I.	Associate	2019	\$887.00
Ruben, Jillian L.	Associate	2019	\$887.00
Samuels, Reut N.	Associate	2021	\$887.00
Sanchez Tavarez, Genesis G.	Associate	2021	\$887.00
Sazant, Jordan	Associate	2018	\$887.00
Silverman, Hannah G.	Associate	2021	\$887.00
Sivitz, Rebecca J.	Associate	2014	\$887.00
Skrzynski, Matthew A.	Associate	2017	\$887.00
Socket, Nicole	Associate	2021	\$887.00
Sosa, Javier F.	Associate	2019	\$887.00
Stevens, Elliot R.	Associate	2018	\$887.00
Tarr, Jennifer E.	Associate	2011	\$887.00
Teran, Alan S.	Associate	2020	\$887.00
Tocicki, Alyson C.	Associate	2021	\$887.00
Victor, Seth H.	Associate	2019	\$887.00
Volin, Megan R.	Associate	2020	\$887.00
Vora, Hena M.	Associate	2018	\$887.00
Weringa, Ashley M.	Associate	2021	\$887.00
Wertheim, Eric R.	Associate	2019	\$887.00
Wheat, Michael K.	Associate	2019	\$887.00
Greenberg, Maximilian A.	Associate	Bar Passed in 2021; Admission Expected in 2022	\$887.00
Klein, Reuven C.	Associate	Bar Passed in 2021; Admission Expected in 2022	\$887.00
Meyer, Tony R.	Associate	Bar Passed in 2020; Admission Expected in 2021	\$887.00
Clarke, Michael R.	E-Discovery Attorney	2010	\$438.00

Eisenberg, Benjamin R.	E-Discovery Attorney	2011	\$438.00
Friedman, Olga	E-Discovery Attorney	2008	\$438.00
Ike, Yvonne O.	E-Discovery Attorney	2009	\$438.00
Kay, James	E-Discovery Attorney	1978	\$438.00
Peterson, Cathleen P.	E-Discovery Attorney	1991	\$438.00
Tillem, Marissa	Litigation Department Legal Director	2010	\$303.00
Asnis, Griffin M.	Paraprofessional	n/a	\$303.00
Brodskaya, Anna	Paraprofessional	n/a	\$303.00
Chernus, Eric R.	Paraprofessional	n/a	\$303.00
Cody, Sara E.	Paraprofessional	n/a	\$303.00
Cook, Alexander N.	Paraprofessional	n/a	\$303.00
Cooper, David C.	Paraprofessional	n/a	\$303.00
Cordova-Pedroza, Christian	Paraprofessional	n/a	\$303.00
Eggeling, Christopher R.	Paraprofessional	n/a	\$303.00
Fox, Rachel L.	Paraprofessional	n/a	\$303.00
Goodell, Catherine J.	Paraprofessional	n/a	\$303.00
Henderson, Laurie A.	Paraprofessional	n/a	\$303.00
Hoffman, Joan K.	Paraprofessional	n/a	\$303.00
Klock, Joseph	Paraprofessional	n/a	\$303.00
McCarthy, Julian K.	Paraprofessional	n/a	\$303.00
McPeck, Dennis T.	Paraprofessional	n/a	\$303.00
Monforte, Angelo	Paraprofessional	n/a	\$303.00
Murphy, Mary E.	Paraprofessional	n/a	\$303.00
Nagorny, Susanna	Paraprofessional	n/a	\$303.00
Oloumi, Nicole K.	Paraprofessional	n/a	\$303.00
Orr, Lisa	Paraprofessional	n/a	\$303.00
Petrov, Natasha B.	Paraprofessional	n/a	\$303.00
Rosenberg, Leo A.	Paraprofessional	n/a	\$303.00
Rubin, Abigail G.	Paraprofessional	n/a	\$303.00
Sakmar, Connor C.	Paraprofessional	n/a	\$303.00
Santiago, Javier	Paraprofessional	n/a	\$303.00
Schaefer, Shealeen E.	Paraprofessional	n/a	\$303.00
Singer, Tal J.	Paraprofessional	n/a	\$303.00
Zurzolo, Salvatore	Paraprofessional	n/a	\$303.00

EXHIBIT B

Certification of Martin J. Bienenstock

UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,
Debtors.¹

PROMESA

Title III

No. 17 BK 3283-LTS

(Jointly Administered)

**CERTIFICATION OF MARTIN J. BIENENSTOCK IN RESPECT OF AUTOMATIC
HOURLY RATE ADJUSTMENT PURSUANT TO ENGAGEMENT LETTER,
DATED NOVEMBER 25, 2016, OF PROSKAUER ROSE LLP, AS ATTORNEYS FOR
THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO**

I, Martin J. Bienenstock, hereby certify that:

1. I am a partner at the law firm of Proskauer Rose LLP ("Proskauer"), with offices located at Eleven Times Square, New York, New York 10036. Proskauer serves as attorneys for the Financial Oversight and Management Board for Puerto Rico (the "Oversight Board"), as Title III representative of the Debtors in the above-captioned Title III cases (the "Title III Cases") pursuant to section 315(b) of the *Puerto Rico Oversight, Management, and Economic Stability Act* ("PROMESA").² I have personal knowledge of all of the facts set forth in this certification except as expressly stated herein.

¹ The Debtors in these Title III Cases, along with each Debtor's respective Title III case number and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico ("Commonwealth") (Bankruptcy Case No. 17-BK-3283- LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17-BK-3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17-BK-3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17-BK-3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17-BK-4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority ("PBA") (Bankruptcy Case No. 19-BK-5233-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

² PROMESA has been codified in 48 U.S.C. §§ 2101-2241.

2. In accordance with the *Order Imposing Additional Presumptive Standards: Rate Increases and the Retention of Expert Witnesses or Other Sub-retained Professionals* entered on June 26, 2019 [ECF No. 7678] (the “Additional Presumptive Standards Order”), this certification is made in respect of Proskauer’s hourly rate adjustment provided for in its engagement letter dated November 25, 2016, on a timekeeper-by-timekeeper basis, (the “Rate Adjustment”), as set forth in **Schedule I** attached hereto, effective as of January 1, 2022 (the “Effective Date”).

3. In accordance with paragraph 2 of the Additional Presumptive Standards Order, I hereby certify that:

- a) Proskauer’s engagement letter with the Oversight Board dated November 25, 2016 (the “Engagement Letter”)³ provides Proskauer’s rates increase each January 1 by the lower of the percentage rate increase announced by Proskauer as of November 1 of the preceding year and four percent. Four percent is lower than the rate increase effective as of November 1, 2021 that Proskauer announced, and Proskauer will therefore apply a four percent increase to its rates as of January 1, 2022.
- b) Proskauer negotiated the Rate Adjustment with the Oversight Board in good faith and at arms’ length in November 2016. The Oversight Board is advised of the Rate Adjustment as set forth in the Engagement Letter.
- c) Proskauer’s Rate Adjustment of four percent is lower than the reported rate of inflation published by the Bureau of Labor Statistics which, as of November 10, 2021, was approximately 6.2% for the preceding 12-month period.⁴
- d) Attached hereto as **Schedule I** is a true and complete hourly rate schedule for the firm’s professionals, by year of bar admission, and paraprofessionals, both before and after implementation of the four-percent Rate Adjustment.
- e) Pursuant to the Engagement Letter, Proskauer agreed to charge fees at a

³ A copy of the engagement letter is available on the Oversight Board’s website at <http://oversightboard.pr.gov/documents/> and appended in **Schedule II**.

⁴ See <https://www.bls.gov/news.release/cpi.nr0.htm> (last accessed November 16, 2021).

blended rate, providing a significant discount to the normal rates of its timekeepers. In light of that, the rates charged by Proskauer timekeepers in these Title III Cases, even with the rate increase to become effective on January 1, 2022, are significantly below those charged by Proskauer's timekeepers on matters other than these Title III Cases, and are presumptively reasonable.

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Dated: December 8, 2021
San Juan, Puerto Rico

Respectfully submitted,

/s/ Martin J. Bienenstock

Martin J. Bienenstock
(Admission *Pro Hac Vice*)
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New York, NY 10036
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*Attorneys for the Financial Oversight and
Management Board as representative for the
Debtors*

Schedule I

Hourly Billing Rates of Proskauer Rose LLP

Timekeeper	Position	Year Admitted to Practice	Hourly Billing Rate	
			As of January 1, 2021	As of January 1, 2022
Alex, Justin S.	Partner	2011	\$853.00	\$887.00
Ashton, Ann M.	Partner	1980	\$853.00	\$887.00
Barak, Ehud	Partner	2010	\$853.00	\$887.00
Batten, Mark W.	Partner	1988	\$853.00	\$887.00
Bienenstock, Martin J.	Partner	1978	\$853.00	\$887.00
Blaney, Ryan P.	Partner	2006	\$853.00	\$887.00
Brenner, Guy	Partner	2002	\$853.00	\$887.00
Cantone, Robert A.	Partner	1978	\$853.00	\$887.00
Casazza, Kyle A.	Partner	2007	\$853.00	\$887.00
Cooper, Scott P.	Partner	1981	\$853.00	\$887.00
Corn, Richard M.	Partner	2005	\$853.00	\$887.00
Dale, Margaret A.	Partner	1990	\$853.00	\$887.00
Faust, Scott A.	Partner	1985	\$853.00	\$887.00
Febus, Chantel L.	Partner	2003	\$853.00	\$887.00
Ferrara, Ralph C.	Partner	1970	\$853.00	\$887.00
Firestein, Michael A.	Partner	1983	\$853.00	\$887.00
Garnett, Karen J.	Partner	1990	\$853.00	\$887.00
Gerkis, James P.	Partner	1984	\$853.00	\$887.00
Hackett, Mike R.	Partner	2009	\$853.00	\$887.00
Hamburger, Paul M.	Partner	1985	\$853.00	\$887.00
Hamilton, Martin T.	Partner	2004	\$853.00	\$887.00
Harris, Mark D.	Partner	1992	\$853.00	\$887.00
Indelicato, Vincent	Partner	2009	\$853.00	\$887.00
Kass, Colin R.	Partner	1996	\$853.00	\$887.00
Komaroff, William C.	Partner	1992	\$853.00	\$887.00
Kornreich, Edward S.	Partner	1978	\$853.00	\$887.00
Lander, Nathan R.	Partner	2004	\$853.00	\$887.00

Levitan, Jeffrey W.	Partner	1983	\$853.00	\$887.00
Martinez, Carlos E.	Partner	1988	\$853.00	\$887.00
Mervis, Michael T.	Partner	1990	\$853.00	\$887.00
Miller, David S.	Partner	1991	\$853.00	\$887.00
Mungovan, Timothy W.	Partner	1994	\$853.00	\$887.00
Nussbaum, Amanda H.	Partner	1999	\$853.00	\$887.00
Ondeck, Christopher E.	Partner	1995	\$853.00	\$887.00
Perra, Kevin J.	Partner	1995	\$853.00	\$887.00
Piccirillo, Antonio N.	Partner	1996	\$853.00	\$887.00
Porzio, Steven J.	Partner	2008	\$853.00	\$887.00
Possinger, Paul V.	Partner	1993	\$853.00	\$887.00
Ramachandran, Seetha	Partner	2001	\$853.00	\$887.00
Rappaport, Lary Alan	Partner	1979	\$853.00	\$887.00
Richman, Jonathan E.	Partner	1984	\$853.00	\$887.00
Roberts, John E.	Partner	2009	\$853.00	\$887.00
Rosen, Brian S.	Partner	1985	\$853.00	\$887.00
Rosenthal, Marc Eric	Partner	1990	\$853.00	\$887.00
Rosow, Stuart L.	Partner	1976	\$853.00	\$887.00
Rumeld, Myron D.	Partner	1984	\$853.00	\$887.00
Snell, Dietrich L.	Partner	1983	\$853.00	\$887.00
Triggs, Matthew	Partner	1990	\$853.00	\$887.00
Waldon, Samuel J.	Partner	1995	\$853.00	\$887.00
Waxman, Hadassa R.	Partner	2001	\$853.00	\$887.00
Weise, Steven O.	Partner	1974	\$853.00	\$887.00
Alonzo, Julia D.	Senior Counsel	2009	\$853.00	\$887.00
Munkittrick, David A.	Senior Counsel	2011	\$853.00	\$887.00
Roche, Jennifer L.	Senior Counsel	2007	\$853.00	\$887.00
Stafford, Laura	Senior Counsel	2012	\$853.00	\$887.00
Anderson, James	Associate	2015	\$853.00	\$887.00
Ansanelli, Julia M.	Associate	2017	\$853.00	\$887.00
Blackwell, Brooke H.	Associate	2018	\$853.00	\$887.00

Burroughs, Timothy E.	Associate	2020	\$853.00	\$887.00
Curtis, Kelly	Associate	2016	\$853.00	\$887.00
Dalsen, William D.	Associate	2011	\$853.00	\$887.00
Deming, Adam L.	Associate	2018	\$853.00	\$887.00
Desatnik, Daniel	Associate	2016	\$853.00	\$887.00
DuBosar, Jared M.	Associate	2018	\$853.00	\$887.00
Esses, Joshua A.	Associate	2017	\$853.00	\$887.00
Fassuliotis, William G.	Associate	2020	\$853.00	\$887.00
Frankel, Jay	Associate	2017	\$853.00	\$887.00
Gordon, Amy B.	Associate	2021	\$853.00	\$887.00
Gottlieb, Brooke G.	Associate	2020	\$853.00	\$887.00
Griffith, Jessica M.	Associate	2021	\$853.00	\$887.00
Guggenheim, Michael M.	Associate	2021	\$853.00	\$887.00
Habenicht, Yomarie S.	Associate	2010	\$853.00	\$887.00
Hansen, Kyle C.	Associate	2018	\$853.00	\$887.00
Hartunian, Joseph S.	Associate	2019	\$853.00	\$887.00
Hong, Yena	Associate	2020	\$853.00	\$887.00
Hughes, Sarah E.	Associate	2019	\$853.00	\$887.00
Jones, Erica T.	Associate	2018	\$853.00	\$887.00
Jones, Jennifer L.	Associate	2005	\$853.00	\$887.00
Kelley, Francie P.	Associate	2021	\$853.00	\$887.00
Kim, Mee (Rina)	Associate	2016	\$853.00	\$887.00
Kowalczyk, Lucas	Associate	2017	\$853.00	\$887.00
Landers Hawthorne, Kelly B.	Associate	2018	\$853.00	\$887.00
Lefebvre, Antonieta P.	Associate	2015	\$853.00	\$887.00
Ma, Steve	Associate	2014	\$853.00	\$887.00
Markofsky, Lisa B.	Associate	2005	\$853.00	\$887.00
McGowan, Shannon D.	Associate	2020	\$853.00	\$887.00
Morris, Matthew J.	Associate	2000	\$853.00	\$887.00
Oluwasola, Omobolaji O.	Associate	2020	\$853.00	\$887.00

Osaben, Libbie B.	Associate	2021	\$853.00	\$887.00
Ovanesian, Michelle M.	Associate	2018	\$853.00	\$887.00
Palmer, Marc C.	Associate	2018	\$853.00	\$887.00
Patel, Krusheeta R.	Associate	2020	\$853.00	\$887.00
Perdiza, Andre F.	Associate	2016	\$853.00	\$887.00
Peterson, John A.	Associate	2017	\$853.00	\$887.00
Rainwater, Shiloh A.	Associate	2017	\$853.00	\$887.00
Rogoff, Corey I.	Associate	2019	\$853.00	\$887.00
Ruben, Jillian L.	Associate	2019	\$853.00	\$887.00
Samuels, Reut N.	Associate	2021	\$853.00	\$887.00
Sanchez Tavarez, Genesis G.	Associate	2021	\$853.00	\$887.00
Sazant, Jordan	Associate	2018	\$853.00	\$887.00
Silverman, Hannah G.	Associate	2021	\$853.00	\$887.00
Sivitz, Rebecca J.	Associate	2014	\$853.00	\$887.00
Skrzynski, Matthew A.	Associate	2017	\$853.00	\$887.00
Socket, Nicole	Associate	2021	\$853.00	\$887.00
Sosa, Javier F.	Associate	2019	\$853.00	\$887.00
Stevens, Elliot R.	Associate	2018	\$853.00	\$887.00
Tarr, Jennifer E.	Associate	2011	\$853.00	\$887.00
Teran, Alan S.	Associate	2020	\$853.00	\$887.00
Tocicki, Alyson C.	Associate	2021	\$853.00	\$887.00
Victor, Seth H.	Associate	2019	\$853.00	\$887.00
Volin, Megan R.	Associate	2020	\$853.00	\$887.00
Vora, Hena M.	Associate	2018	\$853.00	\$887.00
Weringa, Ashley M.	Associate	2021	\$853.00	\$887.00
Wertheim, Eric R.	Associate	2019	\$853.00	\$887.00
Wheat, Michael K.	Associate	2019	\$853.00	\$887.00
Greenberg, Maximilian A.	Associate	Bar Passed in 2021; Admission Expected in 2022	\$853.00	\$887.00
Klein, Reuven C.	Associate	Bar Passed in 2021; Admission Expected in 2022	\$853.00	\$887.00

Meyer, Tony R.	Associate	Bar Passed in 2020; Admission Expected in 2021	\$853.00	\$887.00
Clarke, Michael R.	E-Discovery Attorney	2010	\$421.00	\$438.00
Eisenberg, Benjamin R.	E-Discovery Attorney	2011	\$421.00	\$438.00
Friedman, Olga	E-Discovery Attorney	2008	\$421.00	\$438.00
Ike, Yvonne O.	E-Discovery Attorney	2009	\$421.00	\$438.00
Kay, James	E-Discovery Attorney	1978	\$421.00	\$438.00
Peterson, Cathleen P.	E-Discovery Attorney	1991	\$421.00	\$438.00
Tillem, Marissa	Litigation Department Legal Director	2010	\$291.00	\$303.00
Asnis, Griffin M.	Paraprofessional	n/a	\$291.00	\$303.00
Brodskaya, Anna	Paraprofessional	n/a	\$291.00	\$303.00
Chernus, Eric R.	Paraprofessional	n/a	\$291.00	\$303.00
Cody, Sara E.	Paraprofessional	n/a	\$291.00	\$303.00
Cook, Alexander N.	Paraprofessional	n/a	\$291.00	\$303.00
Cooper, David C.	Paraprofessional	n/a	\$291.00	\$303.00
Cordova-Pedroza, Christian	Paraprofessional	n/a	\$291.00	\$303.00
Eggeling, Christopher R.	Paraprofessional	n/a	\$291.00	\$303.00
Fox, Rachel L.	Paraprofessional	n/a	\$291.00	\$303.00
Goodell, Catherine J.	Paraprofessional	n/a	\$291.00	\$303.00
Henderson, Laurie A.	Paraprofessional	n/a	\$291.00	\$303.00
Hoffman, Joan K.	Paraprofessional	n/a	\$291.00	\$303.00
Klock, Joseph	Paraprofessional	n/a	\$291.00	\$303.00
McCarthy, Julian K.	Paraprofessional	n/a	\$291.00	\$303.00
McPeck, Dennis T.	Paraprofessional	n/a	\$291.00	\$303.00
Monforte, Angelo	Paraprofessional	n/a	\$291.00	\$303.00
Murphy, Mary E.	Paraprofessional	n/a	\$291.00	\$303.00
Nagorny, Susanna	Paraprofessional	n/a	\$291.00	\$303.00

Oloumi, Nicole K.	Paraprofessional	n/a	\$291.00	\$303.00
Orr, Lisa	Paraprofessional	n/a	\$291.00	\$303.00
Petrov, Natasha B.	Paraprofessional	n/a	\$291.00	\$303.00
Rosenberg, Leo A.	Paraprofessional	n/a	\$291.00	\$303.00
Rubin, Abigail G.	Paraprofessional	n/a	\$291.00	\$303.00
Sakmar, Connor C.	Paraprofessional	n/a	\$291.00	\$303.00
Santiago, Javier	Paraprofessional	n/a	\$291.00	\$303.00
Schaefer, Shealeen E.	Paraprofessional	n/a	\$291.00	\$303.00
Singer, Tal J.	Paraprofessional	n/a	\$291.00	\$303.00
Zurzolo, Salvatore	Paraprofessional	n/a	\$291.00	\$303.00

Schedule II

Proskauer Engagement Letter



Proskauer Rose LLP Eleven Times Square New York, NY 10036-8299


November 25, 2016

Joseph M. Leccese
Chairman and Member of the Firm


www.proskauer.com

By Email
c/o Professor David A. Skeel


c/o Professor Arthur J. Gonzalez


Financial Oversight and Management Board
for Puerto Rico ("Oversight Board")

Re: Engagement Letter

Dear Oversight Board:

Proskauer Rose LLP ("Proskauer") is honored to have been asked to represent the Financial Oversight and Management Board for Puerto Rico (the "Oversight Board," Client" or "you"), to provide such legal services as the Oversight Board requests to enable it to carry out the Puerto Rico Oversight, Management, and Economic Stability Act, 48 U.S.C. Chapter 20 ("PROMESA") in a manner that achieves the statutory purposes set forth in Sections 101(a) and 701 thereof for the benefit of the Commonwealth of Puerto Rico (the "Commonwealth"), and its instrumentalities, people, and creditors (the "Project"). This letter confirms the terms of our engagement regarding such representation, effective as of November 21, 2016.

Fees, Disbursements and Charges

In view of your nonprofit status, the Project being for public service, and the anticipated scope of the Project, we will provide the Oversight Board the three formulas set forth below (the "Formulas") to compute the fees we are owed, each of which Formulas represents a substantial discount from our standard hourly rates. The formulas set forth below shall be valid for the duration of the Project. For the first thirteen months of the Project through December 31, 2017, the Oversight Board may retroactively choose the Formula producing the lowest fees. A mechanism for doing so is set forth below. Thereafter, after being advised of the fees produced by each Formula for the prior year, the Oversight Board shall choose by March 15 of each year the Formula to govern that calendar year.

The rates set forth below shall be fixed through December 31, 2017, which is two months after the end of our fiscal year on October 31, 2017. Although our rate increases occur on November 1 of each year, the rates under this agreement shall increase two months later on January 1 by the



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lower of the percentage rate increase we announce, and four percent. We track time to the nearest one-tenth of an hour. Only half of non-working travel time shall be billed.

1. Formula 1: Fees for services shall be computed by multiplying (a) the number of attorney (partners, senior counsel, and associates) hours times a fixed, blended hourly rate of \$730 per hour, and (b) the number of paralegal hours times a fixed, blended hourly rate of \$250 per hour. Fees for disbursements shall be billed at cost.
2. Formula 2: Fees for services shall be computed by multiplying (a) the number of partner hours times the lower of their respective actual hourly rates and a fixed, blended hourly rate of \$1,000 per hour, (b) the number of senior counsel and associate hours times a fixed, blended hourly rate of \$650 per hour, and (c) the number of paralegal hours times a fixed, blended hourly rate of \$250 per hour. Fees for disbursements shall be billed at cost.
3. Formula 3: Fees for all services shall be billed at a fifteen percent discount to our standard hourly rates. Fees for disbursements shall be billed at cost.

Our fees will be billed by email on a monthly basis and initially computed in accordance with Formula 1 above. To the extent practicable, all fees should be paid within thirty days of billing. Our monthly statements will set forth the amount of our fees and disbursements, and their underlying time records and charges.

On or before February 15, 2018, and each year thereafter, we will provide you with the respective amounts the aggregate fees through December 31 of the prior year would have been under each Formula. To the extent, if any, the fees computed under Formula 2 and/or Formula 3 are less than the fees computed under Formula 1 through December 31, 2017, we shall credit you the largest difference by reducing the amounts of our subsequent invoices until the entire difference is credited. On or before March 15, 2018, you will designate which Formula shall apply from January 1, 2018 through December 31, 2018. To the extent you are owed a credit for the months of January and February 2018, we will provide that credit in our next invoice(s) until provided in full. On each March 15 thereafter you shall have the right to change your designation of Formulas 1, 2, and 3 for that calendar year, but your choice shall not apply retroactively to the prior year. We shall provide you credits to the extent, if any, you change formulas and we owe you a credit for January and February of such calendar year.

As of November 1, 2016, Proskauer's rates for (a) partners ranged from \$900 to \$1,475 per hour, (b) senior counsel generally ranged from \$875 to \$1,050 per hour, (c) associates generally ranged from \$495 to \$935 per hour, and (d) paralegals generally ranged from \$225 to \$400 per hour. Certain highly specialized senior counsel, associates, and paralegals have higher rates, but we will not use those individuals on this matter without your prior consent, or we may use them at lower rates within the foregoing ranges.



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I have attached a schedule listing the bases on which we will bill you for certain charges and disbursements. From time to time in the course of this engagement, it may become necessary to incur large expenses on your behalf, for example, for consultants, local or associated counsel, experts, filing fees, printing and outside reproduction, deposition or trial transcripts, and graphics and trial exhibits. To assure that these services are obtained expeditiously and to avoid the necessity of advancing large amounts on your account, we will arrange for payment of vendors for such expenses by one of the following methods, after consulting with you: (1) direct billing to you by the vendor for the services rendered by the vendor; (2) payment by us of invoices for services rendered on your behalf, with a request for prompt reimbursement upon presentation to you of a paid invoice; or (3) the establishment of a deposit with us, in advance, to provide funds to pay anticipated expenses of those types.

We may from time to time, either at your request or at our own initiative, provide you with an estimate of fees or costs that we reasonably anticipate will be incurred in connection with the Project. It is understood that such estimates, which are predicated on a variety of assumptions, are subject to unforeseen circumstances and are by their nature inexact. No written or oral estimate, either before, at the time of, or following the execution of this engagement letter, shall be construed to be a fee cap or fixed fee.

Conflicts of Interest

In our response to the Oversight Board's RFP for legal representation, we provided you a list of the creditors known to us who are currently litigating against the Commonwealth or one of its instrumentalities, which creditors are also clients of Proskauer. We confirm here that (a) none of such clients have in the last two years been responsible for more than 0.1% of Proskauer's annual revenues, and (b) Proskauer has not represented any creditor against the Commonwealth or any of its instrumentalities.

You acknowledge that Proskauer is a large general service firm representing numerous clients, nationally and internationally, over a wide variety of industries and businesses and in a wide variety of matters. Some of those entities and individuals, especially those in the financial industry, may, from time to time, be creditors of the Commonwealth or its instrumentalities. Additionally, we represented the Government Development Bank of Puerto Rico in connection with the statute it enacted to restructure debts of the Commonwealth's public corporations. Many of the main components of that statute are, in sum and substance, incorporated into PROMESA. Moreover, because the Commonwealth and its instrumentalities have thousands of creditors and because entities and individuals can and do, on a daily basis, buy and sell claims against the Commonwealth and its instrumentalities without the Oversight Board and Proskauer having any knowledge of such transactions, it is impossible for either of us to know all the creditors of any entity at any given time.

In light of the foregoing, the possibility exists that some of our current or prospective clients in matters unrelated to the Commonwealth in which Proskauer represents them, may independently have or acquire claims or other interests adverse to the Commonwealth's or the Oversight



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Board's interests, such as when they purchase claims. We agree that we will not represent any of them in matters either related to or adverse to the Commonwealth and the Oversight Board. Conversely, you agree that without impacting this engagement, Proskauer may represent them in matters unrelated to the Commonwealth and its instrumentalities, including in litigation or other adversarial proceedings, that do not require the disclosure and/or use of your confidential information, and accordingly you waive any conflict of interest that may be deemed to arise as the result of any such other representation and agree not to seek to disqualify or otherwise prevent our firm from representing other clients in such matters.

Your acceptance of the foregoing conditions of our agreement to represent you in connection with the Project has been made with full and complete awareness of the fact that we and present and future clients of our firm are and will be relying upon our ability to act for them in accordance with the terms of this letter. You acknowledge that in accepting these conditions and executing this letter, you have not relied on any advice provided by Proskauer and are able to seek independent legal advice.

Terminating Representation

You have the right to discharge us as counsel at any time prior to the conclusion of the Project, but such discharge shall not affect our right to be paid all of our previously incurred but unpaid fees, and all of our previously incurred but unpaid charges and disbursements, in accordance with this letter agreement. You also agree that we have the right, if in our sole judgment we believe such action to be consistent with our professional obligations, to resign as your counsel, and that such resignation shall not affect our right to be paid all our previously incurred but unpaid fees, and all our previously incurred but unpaid charges and disbursements, in accordance with this letter agreement. Without limiting in any way our general legal and ethical rights to withdraw from representing you, it is agreed that we may withdraw if any of our invoices for legal fees, disbursements and/or charges incurred in connection with our representation of you remain outstanding for a period of 45 days. Subject to the provisions of this letter agreement, you agree not to raise any objection to any such resignation or to our continued representation of our other clients. If we elect to resign as counsel, you agree to cooperate and facilitate such resignation by retaining substitute counsel or otherwise.

Conclusion of Representation and Disposition of Records

Once our work on the Project is completed, our representation of you will be concluded. At that point, or upon your earlier discharge of us or our earlier resignation as counsel, we may inquire whether you would prefer that we send you our client files, destroy the client files, or place them in storage at your expense. Should you fail to state a preference, we will send you the files. In the event that you decline delivery of the files, we would have the option of destroying them or storing them at your expense. Notwithstanding the foregoing, and unless you instruct us otherwise, we will return and/or preserve any original documents we know or believe you will need to retain to enforce your rights or to bring or defend claims.



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Periodically, we distribute materials that include listings of representative clients and, following completion of a Project, we may refer in those materials to our representation of you in connection with the Project, and you agree that we may do so. These references will not, of course, disclose any of your confidential information.

While we may contact you from time to time thereafter with information concerning legal developments that may relate to the Project, we cannot and do not undertake any responsibility to monitor or advise you with respect to any such developments, including any changes in law.

Arbitration of Disputes

You and we agree that any dispute that may arise regarding the provision of legal services by Proskauer to you, including, without limitation, claims of malpractice or breach of fiduciary duty, or for nonpayment of fees, charges, or disbursements, shall be referred to and finally resolved by binding arbitration in New York, New York, administered by the American Arbitration Association in accordance with its rules and procedures by a neutral arbitrator appointed in accordance therewith. Judgment thereon can be entered in any court of competent jurisdiction. Notwithstanding the foregoing, binding arbitration shall not be required to the extent preempted by sections 316 and 317 of PROMESA for fees paid from property of the debtor in cases under Title III of PROMESA.

In the event that a dispute arises between us relating to our fees, you may also have the right to arbitration of the dispute pursuant to Part 137 of the Rules of the Chief Administrator of the Courts of New York State, a copy of which will be provided to you upon request.

Choice of Law

This agreement shall be governed by and interpreted in accordance with the laws of the State of New York, without regard to such state's conflicts of laws principles.



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If you have any questions about anything in this letter or need more information about any aspect of our engagement, please call me at any time. If you agree that the foregoing accurately reflects our understanding, please sign and return the enclosed copy of this letter.

We appreciate your entrusting us with this matter and look forward to working with you.

Very truly yours,


Joseph M. Leccese
Chairman of the Firm

Agreed to and Accepted on behalf of the Oversight Board
on this 19th day of December, 2016



Print Name and Title:

JOSE S. CARRION III
Chair - FOM B - PR



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PROSKAUER ROSE LLP

SCHEDULE OF CHARGES AND DISBURSEMENTS

Effective January 1, 2016

Attached is a list of disbursements regularly made by Proskauer lawyers on behalf of clients and charges for services which our firm may provide in the course of a legal matter. Included is an explanation of the basis on which clients are billed for a disbursement or charge.

This schedule is subject to change from time to time.

If you have any questions, please feel free to direct them to Jonathan O'Brien, Proskauer's Chief Financial Officer (██████████), or to discuss them with the lawyer at our firm with whom you deal concerning billing issues.

DISBURSEMENTS

The actual amount to be paid by Proskauer to a third party vendor for the following services will be billed to the client

Client hand deliveries by outside vendors

Copying and document retrieval fees charged by government agencies or service companies

Expert Witness Fees

Fees of registered agents and corporate service companies

Filing Fees of Courts and Administrative Agencies

Food service during conferences and other meetings on behalf of a client

Messenger Service

Outside Consultants, including accountants, other law firms, investigators and translators

Postage

Printing or Outside Reproduction charges including document binding

Transcripts, Court Reporters

Travel on client business, including transportation, lodging and meals provided by third parties

Velobinding



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CHARGES

The charges described below do not necessarily reflect the precise amount we pay to outside vendors, but are intended to compensate our firm for all aspects of the service provided. Thus, these charges may include as allocation of overhead expenses or other expenses we incur that are directly associated with the provision of the service in question.

Type	How Client Is Billed
Automobile travel on client business	54 cents per mile
Computer aided research (Lexis, Westlaw, Nexis, etc.)	Standard rates set by vendor
eDiscovery Data Services	\$650 per gigabyte (GB)
Fax - incoming only	No charge
Fax - outgoing only	\$1.00 per page
Overnight deliveries (UPS, etc.)	Provider standard rate tariff
Proofreading services	\$55/hour
Reproduction – black & white	\$.15 per page
Reproduction – color	\$.30 per page
Secretarial overtime	\$65/hour
Telephone - local	No charge
Telephone - long distance	Equal to or less than the AT&T Measured Telecommunications Services Tariff
Word Processing services	\$65/hour